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FM AMEMBASSY PRETORIA
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INFO RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 0760
RUEHLO/AMEMBASSY LONDON 1450
RUEHMO/AMEMBASSY MOSCOW 0760
RUEHNE/AMEMBASSY NEW DELHI 0476
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RUEHKO/AMEMBASSY TOKYO 0517
RUCPDC/DEPT OF COMMERCE WASHDC
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UNCLAS PRETORIA 000455

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DEPT FOR AF/S, EEB/ESC, ISN
DOE FOR T.SPURL, G.PERSON, A.BIENAWSKI, L.PARKER, M.SCOTT

E.O. 12958: N/A

TAGS: [ENRG](#) [TRGY](#) [KNNP](#) [PREL](#) [BEXP](#) [SF](#)

SUBJECT: NUCLEAR JSCNEC MEETING POSTPONED AGAIN - HOPE FOR
BILATERAL AGREEMENT

REF: A. STATE 7183

- [1](#)B. PRETORIA 440
- [1](#)C. PRETORIA 315
- [1](#)D. 07 PRETORIA 4172
- [1](#)E. 07 PRETORIA 3674
- [1](#)F. 07 PRETORIA 3589

[1](#)1. (SBU) SUMMARY: The Department of Minerals and Energy (DME) Chief Director: Nuclear informed Embassy that the bilateral Joint Standing Committee on Nuclear Energy Cooperation (JSCNEC) planned for June in South Africa would unfortunately have to be postponed because of the overwhelming distractions of the power crisis and the tender for new nuclear build. The Chief Director was optimistic that the long-awaited bilateral agreement on cooperation in nuclear R&D could soon be signed. This could be helpful in supporting the Westinghouse bid for new nuclear power plants and counter the splash of announcements associated with the state visit of French President Sarkozy (Ref B). End Summary.

JSCNEC Postponed - Again

[1](#)2. (SBU) Department of Minerals and Energy (DME) Chief Director: Nuclear Tseliso Maqubela informed Energy Officer on March 5 that regrettably the Joint Standing Committee on Nuclear Energy Cooperation (JSCNEC) would have to be postponed from June to a date yet to be determined (Refs A and D). Maqubela attributed the need to postpone the long-planned meeting to the power crisis (Ref C) and the tender for new nuclear power plant build (Ref B). He said that efforts to mitigate and resolve the electricity supply shortfall were consuming the attention of his office. For example, Maqubela noted that DME was also postponing a planned Ministerial Conference on Nuclear Energy originally planned for April. He stated that this was a challenging year with the vexing black-outs, the need to adjudicate nuclear power plant bids by June, and a short parliamentary calendar this year in advance of elections next year. Maqubela said he was being pulled every which way and he was back spending time consulting at state electricity supplier

Eskom, in addition to working on the Clean Development Mechanism (CDM) clean energy portfolio. (Comment: Maqubela's predicament is emblematic of South Africa's skills shortages. Most of our SAG interlocutors' responsibilities are broadly stretched, forcing them to prioritize their time and hindering their ability to complete projects. End Comment.)

13. (SBU) Maqubela underscored that the coming March-June period -- from final new nuclear build submissions from Westinghouse and Areva due on March 31 to the intended SAG decision in June -- would be an extremely sensitive period for himself and his staff. He expected that he would no longer be able to meet with the competing governments, suppliers, and utilities, and at this time he could meet only with Westinghouse Country Manager Rita Bowser (and presumably her Areva counterpart). For example, Maqubela noted that he had to turn down a meeting requested by the recent visit of the trade delegation from Pennsylvania. He said he expected the SAG to soon promulgate formal guidelines on contacts with governments and interested parties during the tender period. Qgovernments and interested parties during the tender period.

Hope for Bilateral Nuclear R&D Agreement

14. (SBU) Maqubela was optimistic that the SAG could soon deliver approval to sign the long-awaited "Agreement Between the Government of the United States and the Government of the Republic of South Africa for Cooperation in Research and Development in Nuclear Technology" (Refs D-F). He said that the Department of Foreign Affairs (DFA) was close to finalizing the approval so that the two governments could then plan for the who-where-when for the signing of the agreement.

15. (SBU) COMMENT: Maqubela has asserted that the bilateral nuclear R&D agreement remains doable because it has been in the pipeline, rather than a new initiative during this sensitive tender period. Embassy will continue to push for this agreement, which could tangibly counter the recent orchestrated splash of commercial announcements associated with the February 28-29 state visit of French President Nicholas Sarkozy and senior executives from energy and other key sectors (Ref B). Longer-term, Embassy will wait for the dust to settle before seeking rescheduling of the long-anticipated JSCNEC meeting. Our DFA contacts assert that the nuclear cooperation agreement should be finalized before preparing for the JSCNEC.
BOST